

2023-2026

# STRATEGIC PLAN

**Finance**





## MESSAGE FROM THE MINISTER

As Minister responsible for the Department of Finance, I am pleased to present my department's 2023-2026 Strategic Plan. This plan covers a three-year timeframe from April 1, 2023 to March 31, 2026.

In accordance with the **Transparency and Accountability Act**, the Department of Finance has prepared this strategic plan, which sets out the goals and objectives to be met during the 2023-2026 time period. It was developed in accordance with the applicable legislation and guidelines, and takes into account the strategic directions of Government, the department's mandate and current budget as per the 2023 Estimates document.

The Department has identified three strategic issues that will guide its work over the next three years: the financial health and well-being of the Province, its businesses, and people; access to accurate and unbiased information that supports evidence-based decision making; and a long-term strategy to ensure financial capacity at every level in Government. I look forward to working with the Department of Finance's staff to implement these initiatives over the 2023-26 planning period.

My signature below attests to my accountability for the preparation of this plan and for achievement of its goals and objectives.

Sincerely,

A handwritten signature in black ink, appearing to read 'Siobhan Coady'.

Honourable Siobhan Coady  
Deputy Premier  
Minister of Finance

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# Overview

The **Transparency and Accountability Act** (the Act) provides the legislative framework for strengthened accountability, openness and transparency to the people of this Province. As such, all government entities are required to produce three-year performance-based plans and annual performance reports, both of which are presented to the House of Assembly and are made available to the general public.

The planning and reporting expectations of all government entities are determined by their categorization, as decided upon by the Lieutenant-Governor in Council. The Department of Finance is a category 1 government entity and is required to develop a three-year strategic plan that establishes goals and objectives at the outcome level. The goals and objectives of the strategic plan must be:

- achievable within current financial resources;
- within the assigned mandate of the Department;
- prepared in consideration of the strategic directions of government; and
- measured and reported annually.

The 2023-2026 Strategic Plan for the Department of Finance was developed in accordance with these legislated expectations, as well as those outlined in the corresponding guidelines.

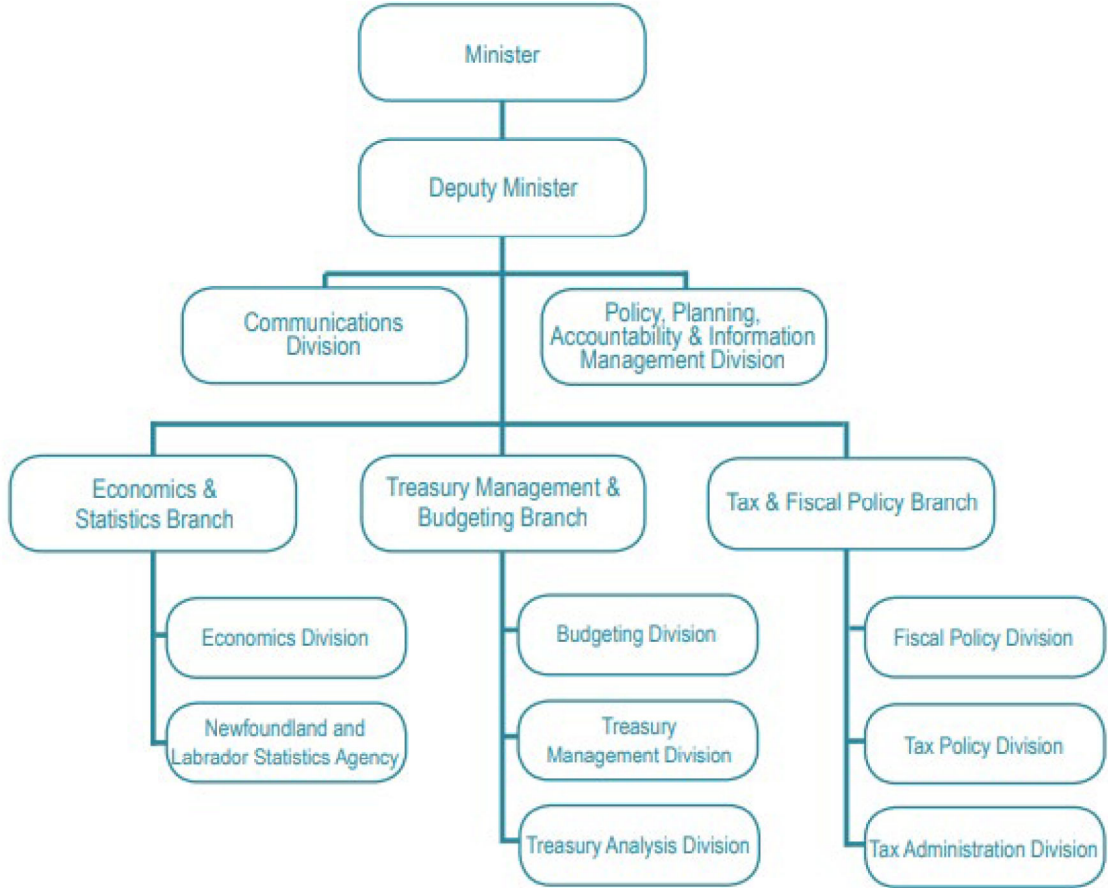
## Structure and Budget

The Department is primarily located in the Confederation Building, East Block, with other office locations in Corner Brook, Grand Falls-Windsor, and 5 Mews Place in St. John's. Contact information is available online at: [www.gov.nl.ca/fin](http://www.gov.nl.ca/fin).

As per the 2023 Budget Estimates, the total budgeted net expenditure for the Department for the 2023-24 fiscal year is \$66,144,700. Included in this net amount is

\$32.6 million for the funding of Federal Programs. These funds are transferred during the fiscal year to departments and crown agencies for various initiatives which are fully or partially funded by the Government of Canada

On March 31, 2023, the Department had 134 employees. At that time, approximately 55 percent of employees were female and 45 percent were male. Staff are allocated across the following branches and divisions:



- The Executive Support Branch includes Departmental Executive and two divisions - Policy, Planning, Accountability and Information Management and Communications. These divisions are responsible for the implementation of government-wide policy, planning and reporting requirements, compliance with information and privacy

legislation, and providing strategic communication advice and support to the Minister and senior officials.

- The Economics and Statistics Branch is responsible for the analysis and forecasting of the macroeconomic environment and the provision of economic impact assessments and special studies related to policy, economic events and projects. This Branch serves as Government's central source of data collection, analysis and publication of statistics relating to the activities and conditions of Newfoundland and Labrador and its population. It is responsible for the development of reliable and timely data; promoting the use of appropriate standards and procedures for the collection and analysis of statistics; and representing the statistical interest of the Province within the national statistical system led by Statistics Canada.
- The Treasury Management and Budgeting Branch is responsible for the coordination of the Province's annual budgetary process and the provision of financial analysis and advisory services to Treasury Board, Cabinet, as well as government departments and agencies. It is also responsible for the province's loan guarantee programs, capital market borrowings, debt servicing, and investment management. It provides an assessment of private sector projects, government programs and other economic development initiatives to estimate the short-term and long-term impacts on the provincial treasury.
- The Tax and Fiscal Policy Branch is responsible for the overall assessment and development of the province's fiscal and taxation policies including forecasting, monitoring and analysis of current account revenues; negotiating and administering federal-provincial fiscal arrangements; and monitoring and assessment of fiscal, economic and taxation policies of other governments. The Branch is responsible for the administration and audit of various provincial own-source taxation programs and the administration of rebate programs.

## **Mandate**

The Department of Finance is responsible for the development of fiscal, financial, statistical, and economic policy. These responsibilities are primarily achieved by providing timely analysis and advice to Cabinet, the Committees of Cabinet, government departments, and agencies, boards, and commissions (ABCs). The Department is responsible for the development and oversight of the annual provincial budget, administration of provincial tax statutes, management of provincial borrowing and debt, project analysis, economic and fiscal forecasting, negotiation of Federal transfers, and representing the Province on national fiscal, economic, and statistical matters. Additional information is available on the Department's website at: [www.gov.nl.ca/fin](http://www.gov.nl.ca/fin).

## **Lines of Business**

The primary lines of business of the Department are as follows:

- Supporting Government's provincial revenue and expenditure planning processes;
- Providing analysis of the financial and economic impact of major projects;
- Analyzing and forecasting the macroeconomic environment;
- Conducting statistical research, analysis and data development;
- Supporting the analysis, updating and negotiation of Federal transfer programs;
- Management of the Province's borrowing and debt servicing programs, including cash management and the investment of sinking fund and future fund assets; and
- Policy analysis and advice, administration and audit of various provincial taxes, rebates and credits.



## **Primary Clients**

The Department of Finance plays a unique role within the Government of Newfoundland and Labrador. It serves not only as a central agency, offering supportive financial, economic and statistical services to Government departments and agencies; but also as a front-line delivery department, dealing directly with both personal and corporate/business tax filers, and community interest groups. Within this context, the Department has identified its primary clients as follows:

- Cabinet and the Committees of Cabinet
- Provincial Government Departments and Crown Agencies
- House of Assembly and its Members
- Business Community
- Municipal Governments/Consolidated Communities
- Economic/Statistical Agencies
- General Public
- Taxpayers
- Community Groups/Special Interest Groups/Not-for-Profit Groups

Additionally, the Department takes a collaborative approach to efficiently fulfilling its mandate and delivering its services. As such it works closely with such stakeholders as professional accounting organizations, post-secondary institutions, other jurisdictions, and the financial institutions.

## **Vision**

The vision of the Department of Finance is of a sustainable financial management framework that supports a vibrant, self-reliant provincial economy and prosperous people.

# Strategic Issues

## Strategic Issue 1: Financial Health and Well-Being

Budget 2023 focused on improving health – physical, mental, financial and economic. The primary strategic issue of the Department for the 2023-2026 reporting period is supporting the financial health and well-being of the Province, its businesses, and people.

As referenced in the Minister’s mandate letter, the Government of Newfoundland and Labrador looks to the Department of Finance to lead the Government’s strides towards solid financial footing. The Department provides strategic leadership in provincial revenue and expenditure planning, which includes developing, implementing and monitoring fiscal government policies, as well as negotiating Federal transfer funding.

The following goal and annual objectives have been established.

### Goal

By March 31, 2026, the Department of Finance will have led measures that improve the financial health and well-being of the Province, its businesses, and people.

### Goal Indicators

- Effective management of the province’s debt, ensuring the lowest cost of borrowing
- Prudent fiscal governance including advising on measures to control spending and advocating for fairness in federal revenue
- Supported business growth and prosperity through tax measures that address business needs and opportunities
- Implemented and supported well-being measures that address the cost of living

## **Objective 2023-2024**

By March 31, 2024, the Department of Finance will have demonstrated prudent fiscal governance while implementing measures to promote the financial well-being of residents.

### **Indicators**

- Implemented and supported economic measures that address the cost of living
- Challenged and performed analysis on additional spending requests during the fiscal year
- Supported departments and agencies to ensure appropriate allocation of expenditures for the upcoming fiscal year through the annual Budget Process
- Advocated for changes to the Federal Equalization Program

## **Objective 2024-2025**

By March 31, 2025, the Department of Finance will have advanced efforts to manage the cost of borrowing and collaborated with other departments to improve the business environment.

## **Objective 2025-2026**

By March 31, 2026, the Department of Finance will have supported the implementation of short, medium and long-term solutions to improve financial health and well-being.

## Strategic Issue 2: Evidence-based Decision Making

The Organisation for Economic Co-operation and Development (OECD) Council on Good Statistical Practice states "quality statistics are an indispensable tool for good analysis, transparency, accountability and ultimately for informed decision-making and the functioning of democracies".

Today's economy is one that is data-driven. Industry publications are consistently reporting on the data economy and the exponential increases in the creation of data throughout the world. From 2020 to 2022 the amount of data created almost doubled, with growth expected to then triple by the year 2025. Emphasis is growing internationally on the importance of the unique role statistics agencies play in government to ensure accurate and unbiased information for evidence based, transparent and accountable decision making.

The Economics and Statistics Branch (ESB) is the central point within Government for the collection, management and distribution of economic, social, demographic and fiscal data relating to Newfoundland and Labrador. The **Statistics Act** ensures information collected is without influence, unobstructed, provided truthfully, and protected from disclosure as to ensure the integrity of the statistical system. This ensures the public can have confidence in the integrity of the provincial statistical office and in the data it produces.

As Government faces pressure to make decisions and deliver services faster than ever there is also a persistent focus to improve accountability and transparency in decision-making. The ESB's role in providing high-quality and timely data is critical for inclusive and unbiased policy research, monitoring and providing advice on the development of programs and services provided to the public and businesses. For Government to be responsive to the needs of the Province and its people, the ESB must anticipate decision-makers' need for statistical and economic data that is easily accessible,

contextualized, and actionable. To that end, the following goal and annual objectives have been established.

## **Goal**

By March 31, 2026, the Department of Finance will have improved the collection, development, and distribution of statistical and economic information to support evidence-based decision-making across departments.

### **Goal Indicators**

- Provided statistical and economic data and analysis to support the design and delivery of Government programs and services
- Updated methodologies to reflect the changing demographics and economic environment of the Province
- Improve access and interpretability of data-driven evidence to inform policy development and public service delivery
- Assessed infrastructure capacity and skills requirements to accommodate exponential data growth and modernization of data collection models

### **Objective 2023-2024**

By March 31, 2024, the Department of Finance will have provided quantitative support to the implementation of Government priorities while evaluating the statistical system and identifying opportunities for advancement.

### **Indicators**

- Updated methodologies to reflect the changing demographics and economic environment of the Province
- Provided quantitative support to the Province's immigration and population growth strategies and the implementation of the provincial Health Accord

- Provided training and increased awareness to officials across government and government entities on the existing data systems such as Community Accounts
- Consulted with departmental officials to identify current and future potential gaps in the statistical system

### **Objective 2024-2025**

By March 31, 2025, the Department of Finance will have improved the capacity of policy officials across government in accessing and using data-driven evidence to formulate policies and deliver public services.

### **Objective 2025-2026**

By March 31, 2026, The Department of Finance will ensure that Government has key social and economic data and information for policy and program development by continuing to develop innovative ways to ensure that data is easier to access, share and use.

## **Strategic Issue 3: Strengthening Financial Capacity**

To meet the Department's vision of a sustainable financial management framework that supports a self-reliant provincial economy, there must be long-term strategies in place that encourage strong financial decisions at every level of government and instill confidence in the public over the stewardship of public funds.

The budget preparation process is one which is integrated, collaborative, and consultative. While the Department is responsible for providing leadership and strategic direction through this process, Government relies on financial professionals in every department to provide the financial expertise and advice necessary to support government operations and decision-making. For this collaboration to be effective, the

Department must ensure the budget process not only supports the needs of the Department, but also the needs of the users outside the Department. Information must be presented clearly and at the level of the user, and users must be trained to understand their responsibilities.

This is especially important given the recruitment of qualified individuals for roles requiring high levels of financial competency has been challenging. Financial expertise is in high-demand across departments and with current workforce demographics, job competitions for financial management roles have increasingly proceeded to external advertising to attract talent from a broader applicant pool. Strengthening financial competency throughout Government will help build this desired expertise and lay the groundwork for the succession planning needed to effectively manage public funds in the future. To that end, the following goal and annual objectives have been established.

## **Goal**

By March 31, 2026, the Department of Finance will have developed methods and implemented changes to improve long-term financial competency within Government departments.

## **Goal Indicators**

- Increased number of self-identified financial professionals in the public service
- Relevant professional development opportunities for financial professionals in the public service are provided regularly
- Annual budget process has been reviewed and improved to better inform funding decisions
- Formalized training offered by the Department for executives across Government regarding their role in budget process
- Collaborated with Treasury Board Secretariat and the Public Service Commission on the recruitment and retention of financial professionals

## **Objective 2023-2024**

By March 31, 2024, the Department of Finance will have documented baseline data and engaged internal partners on the development and implementation of an education and training program for financial professionals.

### **Indicators**

- Gathered and evaluated baseline data of self-identified and certified financial professionals across government
- Engaged a significant percentage of the target employees in professional development training
- Evaluated and identified opportunities for growth in the existing education and training offerings and methods
- Established a long-term plan for continued professional development opportunities for financial professionals in the public service

## **Objective 2024-2025**

By March 31, 2025, the Department of Finance will have provided executive training sessions and improved interdepartmental information sharing in relation to the annual budget process.

## **Objective 2025-2026**

By March 31, 2026, the Department of Finance will have advanced efforts to improve the recruitment and retention of financial professionals.



# Annex A – Strategic Directions

Strategic directions are the articulation of a desired physical, social or economic outcome that would normally require action or involvement of more than one government entity. The **Transparency and Accountability Act** requires that the strategic direction of the government entity's mandate is to be communicated by the responsible Minister. This facilitates the integration of planning practices across government. The strategic directions for the Department of Finance are identified for the 2023-2026 planning cycle.

## **Strategic Direction #1: Financial Health and Well-Being**

**Outcome:** The financial health and well-being of the Province, its businesses, and people has improved. This outcome supports the policy direction of the Department of Finance and will require focus in the following areas:

- Implementing and supporting economic measures
- Prudent fiscal governance
- Responsible management of the provincial treasury

## **Strategic Direction #2: Evidence-Based Decision Making**

**Outcome:** Access to accurate and unbiased information is enhanced to support evidence-based decision-making across departments. This outcome supports the policy direction of the Department of Finance and will require focus in the following areas:

- Methodologies reflect changing demographics and economic environment
- Ease of access and interpretability of data-driven evidence
- Statistical and economic data and analysis supports the design and delivery of government programs and services

### **Strategic Direction #3: Financial Capacity in Government**

**Outcome:** Long-term strategies are in place to encourage strong financial decisions at every level of government. This outcome supports the policy direction of the Department of Finance and will require focus in the following areas:

- Financial management capacity across government
- Training and professional development opportunities
- Review of the annual budget process to better inform funding decisions

